



# Assessing the Results of Impact Investing Programs and Funds: An Overview

Impact Investing: Building the Field, Measuring Success

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An Executive Workshop, April 13-14, 2016

Alisa Hotel, Accra

# Purposes of Evaluation

- 1) Accountability
- 2) Learning
- 3) Performance improvement
- 4) De-risking
- 5) Field-building

# Social Impact Assessment

- **IRIS:** A catalogue of generally accepted metrics used by impact investors to measure social, environmental and financial performance of their investments
- **GIIRS:** Global Impact Investing Rating System of a fund or company's social or environmental impact
- **Other systems and tools:** Pulse, Social Return on Investment



# Setting Standards for Evaluating Impact Investing



## Quality Standards for Development Evaluation

- Relevance
- Effectiveness
- Efficiency
- Sustainability

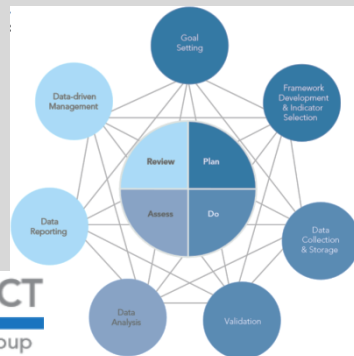


## Impact Reporting and Investment Standards

- Industry metrics
- Standardized terms



## Impact Measurement Working Group Guidelines



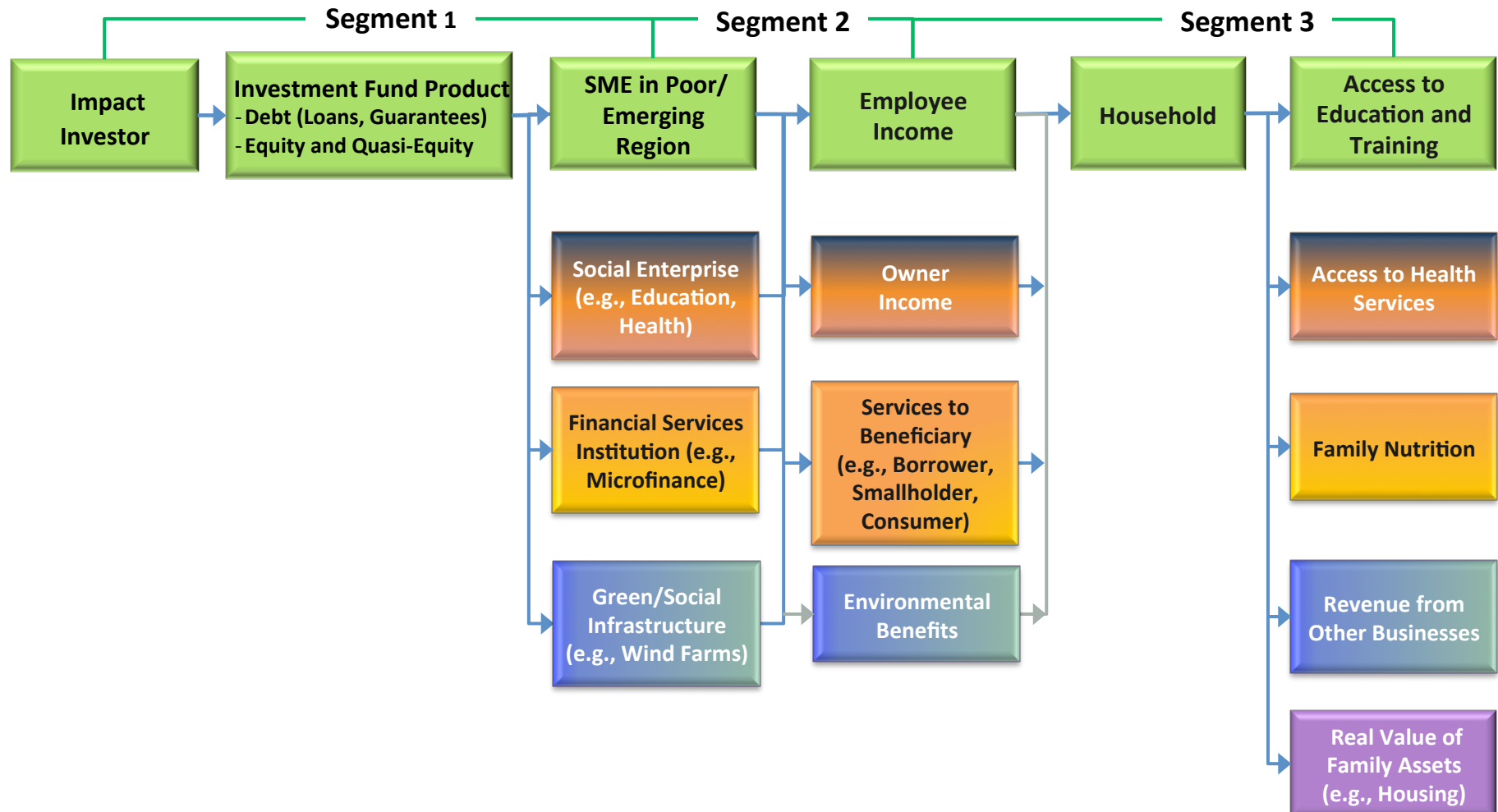
**MEASURING IMPACT**  
Impact Measurement Working Group

## Environment and Social Performance Standards

- Environmental and social risks
- Labour and working conditions
- Resource efficiency
- Community health, safety
- Fair land acquisition
- Biodiversity conservation
- Rights of indigenous peoples
- Cultural heritage



# Impact Investment Results Chain



# Key Questions

- How can impact investing evaluation be designed and executed with a bias in favour of the poor?
- How does evaluation relate to the twin drivers of risk and return?
- How should evaluation approach the gender dimensions of impact investing?
- What kinds of coalitions could join forces to conduct “Segment 3” evaluation and monitoring?
- Who should fund which segments of the M&E process?

# Root Capital Gender Outcome Metrics

	2010	2011	2012	2013
# of gender-inclusive clients	50	89	107	80
% gender-inclusive clients of total number of clients	29%	46%	52%	31%
Amount disbursed to gender-inclusive clients	\$24M	\$59M	\$59M	\$42M
% amount disbursed to gender-inclusive clients of total amount disbursed	30%	53%	49%	35%
number of female producers reached	5K	58K	71K	114K
% female producers of total producers	3%	28%	33%	28%

# Strategies and Methods of Interest

- Theory of change
- Contribution analysis
- The case study
- Participatory monitoring and evaluation
- Developmental evaluation
- Most significant change
- Collective impact



# The Technology Advantage

<i>Innovations</i>	<i>Overview</i>
<b>1. Crowdsourcing</b>	A <b>large number of people actively report</b> on a situation around them, often using mobile phone technology and open source software platforms
<b>2. Real-Time, Simple Reporting</b>	A means to <b>reduce to a minimum the formal reporting requirements</b> for programme and project managers and free up their time to provide <b>more frequent, real-time updates</b> , which may include text, pictures, videos that can be made by computer or mobile devices
<b>3. Participatory Statistics</b>	An approach in which <b>local people themselves generate statistics; participatory techniques are replicated with a large number of groups</b> to produce robust <b>quantitative data</b>
<b>4. Mobile Data Collection</b>	The targeted <b>gathering of structured information</b> using <b>mobile phones, tablets or PDAs</b> using a special <b>software application</b>
<b>5. The Micro-Narrative</b>	The <b>collection and aggregation of thousands of short stories from citizens</b> using special algorithms to gain insight into real-time issues and changes in society
<b>6. Data Exhaust</b>	<b>Massive and passive collection of transactional data</b> from people's use of digital services like mobile phones and web content such as news media and social media interactions
<b>7. Intelligent Infrastructure</b>	Equipping all – or a sample of – <b>infrastructure or items</b> , such as roads, bridges, buildings, water treatment systems, handwashing stations, latrines, cookstoves, etc., with <b>low-cost, remotely accessible electronic sensors</b>
<b>8. Remote Sensing</b>	Observing and analyzing a <b>distant target</b> using information from the <b>electromagnetic spectrum</b> of satellites, aircrafts or other airborne devices
<b>9. Data Visualization</b>	Representation of data <b>graphically and interactively</b> , often in the form of videos, interactive websites, infographs, timelines, data dashboards, maps, etc.
<b>10. Multi-level Mixed Evaluation Method</b>	This approach includes the <b>deliberate, massive and creative use of mixed</b> (quantitative and qualitative) <b>methods on multiple levels</b> for complex evaluations, particularly for service delivery systems
<b>11. Outcome Harvesting</b>	An evaluation approach that <b>does not measure progress towards predetermined outcomes</b> , but rather <b>collects evidence of what has been achieved</b> , and <b>works backward</b> to determine whether and how the project or intervention contributed to the change

# Elements of an Approach to Evaluating Impact Investing

- Theory-based
- Results-oriented
- Participatory
- African-owned
- Gender-sensitive
- Cost-effective
- Transparent
- Complexity-engaged
- Technology-enabled
- Real-time responsive

# Further Information

## Books, Reports and Guides

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- Yin, R.K. Case Study Research: Design and Methods, Sage publications, 2004.

## Websites

- Better Evaluation – [www.Betterevaluation.org](http://www.Betterevaluation.org)
- PRIA – [www.Pria.org](http://www.Pria.org)